



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION I  
5 POST OFFICE SQUARE, SUITE 100  
BOSTON, MASSACHUSETTS 02109-3912

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

**URGENT LEGAL MATTER  
REQUIRES PROMPT RESPONSE**

**JUN 13 2012**

Charles Dana, Managing Partner/Co-Owner  
American Shipyard Co., LLC  
1 Washington Street  
Newport, RI 02840-1566

Re: Follow-up Clean Air Act Reporting Requirement

Dear Mr. Dana:

The United States Environmental Protection Agency ("EPA") is evaluating American Shipyard Co., LLC's d/b/a Newport Shipyard, LLC ("American Shipyard") compliance with the Clean Air Act ("CAA or Act") and requirements promulgated under the Act, including but not limited to the Rhode Island State Implementation Plan.

Section 114(a)(1) of the Act, 42 U.S.C. § 7414(a)(1), gives EPA the authority to require any person who owns or operates any emission source to establish and maintain records, make reports, sample emissions, and provide such other information as may reasonably be required to enable EPA to determine whether a Facility is in compliance with the Act, including the Rhode Island State Implementation Plan.

As you know, EPA issued a Notice of Violation to American Shipyard on March 13, 2012 and met with representatives from American Shipyard on April 4, 2012. This Reporting Requirement ("RR") is a follow-up to that meeting and to a previous RR that EPA issued to American Shipyard on April 15, 2011. In the response to the first RR, American Shipyard provided coating information including the as supplied volatile organic compound ("VOC") content of the coatings used at its facility. As part of its follow-up response to the April 4, 2012 meeting with EPA, in an April 27, 2012 email from Robin Main to Kevin Pechulis, American Shipyard provided a spreadsheet of the VOC coating categories and grams VOC/L limits from various California regulations ("California Coatings Spreadsheet"). This RR requires American

Shipyards, within 30 days of receipt of this letter, to classify the coatings used at its facility according to the categories described in the California regulations, as summarized in the California Coatings Spreadsheet, and to indicate the corresponding lowest California VOC limit for each coating used at its facility.

Note the following definitions of terms:

- “Coating” refers to paints and other materials such as paint thinners, cleaners, solvents, fairing compounds, and adhesives applied to vessels (e.g., pleasure craft) or parts thereof.
- “As supplied” means the condition of the coating before any thinning, as sold and delivered by the coating manufacturer to the user.
- “As applied” means the condition of a coating at the time of application to the substrate, including any thinning solvent.

Specifically, for all coatings that American Shipyard has, or expects to have, in its inventory, complete the attached Microsoft Excel spreadsheet or compatible electronic document and provide the following information. At a minimum, include the coatings listed in the 2011 air pollution inventory that American Shipyard provided to the Rhode Island Department of Environmental Management.

1. The name of the coating manufacturer;
2. The name of the coating;
3. The VOC content of the coating as supplied in pounds of VOC per gallon of coating;
4. The VOC content of the coating as supplied converted to grams of VOC per liter of coating;
5. Indicate whether American Shipyard has information that VOC containing thinners or other additives are mixed with the coating. Note multi-part coatings that require mixing should be considered additives;
6. The California coating category as described in the California Coatings Spreadsheet that American Shipyard believes most closely corresponds to the specific coating;
7. The corresponding lowest California VOC limit for the coating, based upon its coating category, in grams of VOC per liter of coating. Note these limits are “as applied” limits;
8. The name of the California Air Quality Management District that is the source of the lowest VOC limit; and
9. Any relevant notes about each coating and why American Shipyard believes that the coating is identified under a particular California coating category. If American Shipyard is unable to classify a coating, provide a detailed explanation. Include any relevant manufacturer’s technical specifications to demonstrate the coating’s unique characteristics in the notes column.

Submissions required by this letter shall be mailed to:

Susan Studlien, Director  
Office of Environmental Stewardship  
US Environmental Protection Agency, New England



5 Post Office Square, Suite 100  
Mail Code OES04-2  
Boston, Massachusetts 02109-3912  
Attn: Tom McCusker, Air Technical Unit

And

Doug McVay, Acting Director  
Office of Air Resources  
Rhode Island Department of Environmental Management  
235 Promenade Street, Room 230  
Providence, RI 02908

Be aware that if American Shipyard does not provide the information in a timely manner, EPA may order it to comply and may assess monetary penalties under Section 113 of the Clean Air Act. Federal law also establishes criminal penalties for providing false information to EPA. This letter is not subject to Office of Management and Budget review pursuant to the Paperwork Reduction Act, 44 U.S.C. Chapter 35.

You may assert a business confidentiality claim covering part or all of the information requested, in the manner described by 40 CFR § 2.203(b). Information covered by such a claim will be disclosed by EPA only to the extent, and by means of the procedures, set forth in 40 CFR Part 2, Subpart B. Note that certain categories of information, such as emission data, are not properly the subject of such a claim. If no such claim accompanies the information when EPA receives it, EPA may make the information available to the public without further notice to you.

If you have any questions regarding this reporting requirement, please contact Tom McCusker at (617) 918-1862, or have your attorney call Enforcement Counsel, Kevin Pechulis at (617) 918-1612.

Sincerely,



Susan Studlien, Director  
Office of Environmental Stewardship

cc: Doug McVay, RI DEM  
Ted Burns, RI DEM

Enclosures

## American Shipyard - Coatings

[illegible]